# **Patient-Centered Medical Homes**

### SB 84 · Health Care that Puts the Patient First

# What are Patient-Centered Medical Homes?

A patient-centered medical home (PCMH) is not a place, but a community of health care professionals, led by primary care providers, focused on helping patients become as healthy as they can be.

A PCMH places patients at the center of their medical home team, making them active participants in their care. A patient's primary care provider leads a team of health professionals who take responsibility for coordinating care at all stages: acute care, chronic care, preventive services, and end of life care.

The PCMH team includes the physician, nurses, physician assistants, medical assistants, care coordinators, and support staff. This team-based approach leads to better health outcomes and improved satisfaction for patients and providers alike.

#### What's different about PCMH?

Currently, providers are paid to treat illness and injury, providing incentives for excessive treatment, tests, and medication, leading to greater cost throughout the system. The PCMH model reduces costs by emphasizing proactive, preventive care and chronic disease management, instead of sporadic, rushed, reactive doctor visits.

PCMHs are not managed care by insurance companies. The PCMH model puts the physician in the driver's seat, coordinating care around the patient with a team of medical professionals.

# Why is legislation needed?

- Legislation will allow multiple payers to share the cost of transforming a medical practice into a PCMH without violating anti-trust laws.
- In order to provide a sufficient "safe harbor" from anti-trust restrictions, there must be ongoing state involvement in the oversight of PCMHs. Legislation creating the PCMH commission provides that oversight in a way that maintains the market-driven guidance of private payers and providers.
- Legislation will create a governing commission of medical professionals, insurers, and consumers who will set minimum standards for health care providers who wish to participate in the PCMH program.

Payers, providers, and patients alike need clear standards and expectations for PCMHs to achieve a return on investment and improved health outcomes. With legislation, the PCMH model will break down barriers between patients and their physicians, making health care more cost-effective and quality-focused for all Montanans.

#### How is Medicaid involved?

Medicaid will not be required to follow the same payment parameters as other participating payers. Those parameters include bonuses, incentives, care coordination and practice transformation fees. However, if they choose to participate, Medicaid must use the same quality and performance standards as other payers, and will only provide enhanced reimbursement to commission-qualified PCMHs.

# **Contact CSI**

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